County of San Diego

GENERAL MANAGEMENT SYSTEM (GMS) MANUAL

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

The following Executive Summary provides background about San Diego County's General Management System (GMS). The purpose of this summary is to explain the following:

❖ *What the GMS is;*

❖ *Why the GMS is necessary;*

❖ *When and where the GMS is applied;*

❖ *Who is responsible for GMS implementation; and most important*

❖ *How GMS implementation is achieved.*

The more extensive narrative introduced by this summary comprises the County's GMS Manual, explaining in detail each GMS component, including activities, responsibilities, and timelines.

WHAT

The Mission of the County of San Diego is to provide the best possible services to County residents. Like any organization with an ongoing mission, the County engages in a continuous cycle of planning, implementing plans, monitoring implementation, and then re-evaluating and renewing the planning process. The County's comprehensive guide for managing this cyclic process is the General Management System.

The GMS is the basic blueprint/instruction manual for County operations. It guides planning, implementing, and monitoring of all County functions and processes that affect delivery of services to San Diego County residents, businesses, and visitors.

The GMS process begins with long-range, five-year **Strategic Planning**. This is followed by short-term, two-year **Operational Planning**, which encompasses the budget process. **Monitoring and Control** takes place throughout the year. Evaluation mechanisms are used to ensure that goals are tracked, plans followed, and risks identified. **Functional Threading** maximizes efficient use of personnel and material resources by coordinating staff and linking the functions they perform. **Motivation, Rewards, and Recognition** encourages continuing progress by rewarding those who meet and exceed goals. The system completes a full circle in a fiscal year and begins again with a review of the Strategic Plan and development of a new Operational Plan. More detail on each of the five GMS components will follow.

The GMS is a "living" document, which will continue to evolve. The GMS lays out the process used by the County to meet needs residents have today. At the same time, the GMS must help plan for the challenges we will face and quality of life we will want tomorrow.

WHY

The purpose of having a General Management System is to optimize efficient application of resources. These resources include not just taxpayer dollars, but all San Diego County assets, including our unique natural and cultural resources, the expertise and creativity of County employees, and the informed interest of County residents.

The idea behind the GMS is straightforward: the County will be able to provide superior services if we set sound goals and apply strong management principles to achieve those goals.

Our County has an annual budget of approximately $4 billion and roughly 18,000 employees who serve nearly three million residents spread over more than 4,000 square miles. Coordination, fiscal and operational discipline, and shared commitment are vital. The GMS facilitates and organizes the goal setting process. GMS then links goal setting – long-range planning and resource allocation – to goal attainment, which includes monitoring, evaluation, cooperation, motivation, and recognition.

A coherent management system also helps ensure that County employees adhere to core principles, promoting a culture that values our employees, partners, and customers and institutionalizes continuous improvement and innovation.

WHEN & WHERE

On April 21, 1998, the Board of Supervisors accepted the GMS as the formal comprehensive guide for planning, implementing, and monitoring all functions and processes that affect delivery of services to the residents of San Diego County. The County developed the GMS process following the severe fiscal crisis that threatened County programs and solvency in the mid-1990s. However, the GMS is much more than a crisis management tool for putting the County's fiscal house in order.

The GMS helps ensure that sound planning, preparedness, and improvement become permanent organizational ethics. With the GMS as a guide, the County continues to use strong fiscal management practices, while remaining focused on providing superior services to County residents. The principles and procedures outlined by the GMS are meant to apply to every County function on an ongoing basis.

WHO

Every County employee should have knowledge of the GMS and their role in its implementation. Achieving goals requires that those who do the work share a sense of ownership and responsibility.

County management defines and communicates GMS objectives. Lines of authority flow from the Board of Supervisors to the Chief Administrative Officer (CAO), Assistant CAO (ACAO), and the five Group General Managers/Deputy CAOs. These senior managers supervise appointed Department Heads, from whom authority flows down to line staff.

Despite the crucial role of management, successful GMS application depends on strong and effective leadership at all levels of County service. Every County employee is expected to help set goals, strive to achieve them, and be rewarded for achievement.

HOW

The GMS consists of a closed loop set of five overlapping components. Together these components form an ongoing cycle. Each component helps the County ask and answer crucial questions:

GMS COMPONENT	QUESTION ASKED	COMPONENT DESCRIPTION
Strategic Planning	*Where are we going?*	Strategic Planning is long-range (five-year) planning. It is an effort to anticipate what significant needs, challenges, and risks are likely to develop. Long-range planning means assessing not just where we are now, but where we will want to be. Strategic planning allows development of goals and action plans to anticipate future needs.
Operational Planning	*How do we plan to get where we're going?*	Operational Planning focuses on short-term planning for the two upcoming fiscal years. This includes adoption of an annual budget and approval in principle of a second year spending plan. Operational Planning allocates resources to specific programs and services in order to implement the Strategic Plan.
Monitoring and Control	*Are we on track?*	Monitoring and Control is the process of evaluating operational functions and programs to assess performance and risks. This process allows the County to track whether we are adhering to our strategic goals and Operational Plan and to make necessary adjustments. Monitoring and Control includes evaluations that occur on a monthly, quarterly, and annual basis.
Functional Threading	*Are we working together?*	Although County operations are divided into distinct Groups, Departments, and Divisions, the County has many critical functions and goals that cut across organizational lines. Functional threading ensures coordination and engages cooperation across Group/Department lines to pursue goals, solve problems, and share information. Such efforts allow the County to leverage the considerable working knowledge and experience of its talent pool.
Motivation, Rewards, and Recognition	*Are we sharing goals and encouraging success?*	County employees must personalize GMS goals. This requires setting clear expectations for employees, providing incentives, evaluating employees' performance, and rewarding those who meet or exceed expectations. Motivation, Rewards and Recognition encourages the individual excellence and initiative needed to achieve County objectives.

OVERVIEW

The essence of planning is to formulate a detailed method for doing something and to then use that method to get it done. Effective planning requires that we know not just what we want to accomplish, but also what resources we have at our disposal and how best to use them. In addition, we must identify what obstacles we face and how best to overcome them.

The Strategic Plan charts the County's course for accomplishing its mission – to serve the residents of San Diego County – over a five-year period. The County's strategic planning process defines major projects and initiatives and also anticipates what significant needs, challenges, and risks are likely to develop. Strategic planning asks and answers the following questions:
- ➤ Where are we going?
- ➤ Where is the County/Group/Department/Unit today?
- ➤ Where should we be in five years?
- ➤ How will we get from where we are to where we want to be?

The ultimate purpose of strategic planning is to allow development of goals and action plans to meet needs before those needs occur.

Strategic planning is a continuous process. In many ways, this process is as valuable as the plan itself. The County's Strategic Plan is reviewed annually and may be revised at any time, as demanded by significant changes in the expectations, needs, and resources that define the County's operating environment. Planning activities are carried out at all levels of the County organization and should always be consistent with the County's Strategic Plan.

GLOSSARY OF STRATEGIC PLAN TERMS

Mission	Articulates the purpose of County government: "To provide the residents of San Diego County with superior County services in terms of quality, timeliness and value… in order to improve the region's quality of life."
Vision	Refers to an ideal state we strive toward – what the County would like to be.
Guiding Principles	Are the County's core values – an articulation of the County's ethical obligations to County residents and the basic standards we strive to uphold.
Strategic Initiatives	Are broad, organization-wide goals that help prioritize specific County efforts and programs within Groups and Departments.
Environmental Scan	Is an examination of internal and external factors that drive County activities and stakeholder expectations for each Group in the County organization.
SWOT	Is short for Strengths, Weaknesses, Opportunities, and Threats. SWOT is a County-level analysis performed by the SPEC.

SPEC   Is the Strategic Planning Executive Committee, also referred to as the CAO's Management Committee, and is comprised of the following: the CAO, Assistant CAO (ACAO), Group General Managers/Deputy CAOs, Human Resources Director, County Counsel, CAO's Chief of Staff, and Chief Operating Officer of the Health and Human Services Agency.

Strategic Indicators   A compendium of statistics that identify big picture issues and trends and correspond to the County's Strategic Initiatives and Required Disciplines set forth in the Strategic Plan. Information tracked by the Strategic Indicators may be considered annually in development of the Environmental Scan.

SUMMARY OF THE STRATEGIC PLANNING PROCESS

Under the guidance of the Board of Supervisors, the SPEC assesses changes in the County's strengths, weaknesses, opportunities, and threats since the last strategic planning cycle. This process is referred to as the SWOT analysis. The evaluation considers observations from the Environmental Scan Group-level assessment. Information from the Environmental Scan and SWOT analysis forms the basis of recommended changes or modifications to the Strategic Plan.

The SPEC reviews and revises the Strategic Plan to make sure County initiatives and resources align with new information and priorities. The CAO discusses the proposed Strategic Plan with the Board of Supervisors. The CAO and General Managers then complete the Five-Year Financial Forecast. This Forecast includes a projection of all resources required and available to implement strategic initiatives and programs during a five-year planning period. Finally, the individual Strategic Plans of Groups and Departments are aligned with the Five-Year Strategic Plan.

GUIDE TO STRATEGIC PLANNING

Step 1 – Review the County's Mission, Vision, and Guiding Principles
>   The first step in planning where an organization is going is to clearly define the following:
>   ✓ The organization's purpose for existing;
>   ✓ The ideals it wishes to achieve; and
>   ✓ Principles to guide the organization and those who work within it.

>   The County's Mission states the purpose of County government – the reason the organization exists. This purpose is "To provide the residents of San Diego County with superior County services… in order to improve the region's Quality of Life." Vision articulates an ideal state to strive for – in other words, what we would like our organization to be in the future. The County's Guiding Principles are its core values. Guiding Principles articulate the County's ethical obligations to County residents and the basic standards we strive to uphold.

>   The County's Mission, Vision, and Guiding Principles provide the context in which planning decisions are made and goals are set. Any strategic planning effort must fulfill the County's Mission, move the County toward realizing its Vision, and uphold its Guiding Principles. Reviewing and, when necessary, revising the Mission, Vision, and Guiding Principles is always the necessary first step in the strategic planning process.

Step 2 – Perform/Update Environmental Scans

Environmental Scans are Group-level assessment tools. They identify the internal and external factors that drive County activities and change stakeholder expectations within the County's organization. Data from the County's Strategic Indicators may also be used to identify considerations and concerns to include in the Environmental Scan. The following questions reflect the knowledge sought when performing an Environmental Scan:

- How does the outside environment affect the County's ability to function?
- What changes/events beyond County control may affect service demand or funding?
- What are the internal and external risks to the County?

Step 3 – Perform a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

SWOT analysis is an assessment tool that looks at the County organization as a whole. This analysis is done by the CAO's Management Committee (also referred to as the Strategic Planning Executive Committee, or SPEC). The SWOT analysis considers observations from the Environmental Scans. SWOT analysis includes asking the following questions:

- What does the County do well and in which areas can it improve?
- What is the County's fiscal situation?
- What is the status of County employees' experience and efficiency?
- How well is the County providing services?
- What is the County's unrealized potential?
- What threats face the County?

Step 4 – Define or Reconsider Strategic Initiatives

Environmental Scans and SWOT analysis represent the assessment phase of Strategic Planning. Defining Strategic Initiatives involves taking the information gained from assessment and translating it into focal points for action. Strategic Initiatives define broad goals that help prioritize specific efforts and programs. Determining or refining the County's strategic initiatives involves asking the following questions:

- What undertakings will fulfill the County's Mission, Vision, and Guiding Principles?
- Are current initiatives appropriate and sufficient?
- Should existing initiatives be altered or new ones be added?
- How will the County step outside of its traditional organizational structure to implement strategic objectives?

Step 5 – Develop the Five-Year Financial Forecast

Evaluating the resources required to achieve goals is the final strategic planning component. The Five-Year Financial Forecast assesses whether the County has what it needs to accomplish what it plans to do. This Forecast includes a projection of resources required and available to implement new initiatives and to continue or adjust existing programs over a five-year period. The Forecast is used to guide allocation of general-purpose revenues. Developing the Five-Year Financial Forecast involves asking the following questions:

- What are the trends for revenue, expenditures, and staff years?
- What has previously affected those trends and what may affect them in the future?
- What impacts will new strategic initiatives have on existing resources?
- What resources will be necessary to make continuous improvements in service?
- What funding sources are expected over the next five years? What new sources are available? What existing sources will decrease or end?

ADDITIONAL INFORMATION REGARDING STRATEGIC PLANNING

Additional information regarding the County's Strategic Plan and strategic planning process can be obtained as follows:

For County employees:
> From the Chief Administrative Officer's Intranet site cww/cao/index.html, use the left hand navigation menu heading "Strategic Plan 2003-08."

For members of the public:
> Go to the County's Chief Administrative Office Internet home page at www.sdcounty.ca.gov/cao. Use the left hand navigation menu heading "San Diego County Strategic Plan."

Operational Planning
How do we plan to get where we're going?

OVERVIEW

Strategic planning tells us where the County is going. Operational Planning makes the resource allocations necessary to get there. Through Operational Planning, the County sets each Department's objectives for the next two years and allocates the resources required to achieve these objectives. Operational Planning asks and answers the following questions:

- ➢ What does the County want to accomplish during the next two years?
- ➢ How do our two-year objectives contribute to meeting the County's strategic planning objectives?
- ➢ How will identified objectives be funded?

Operational Planning focuses on short-term fiscal planning. By describing how the County will use its financial resources to work toward accomplishing its strategic initiatives, the Operational Planning component of the GMS puts the Strategic Plan into action. The first two years of the Five-Year Financial Forecast are used as the basis of the Operational Plan.

The CAO's Proposed Operational Plan provides the Board of Supervisors with a recommended spending plan for the next two fiscal years. Section 29000 et. al. of the State Government Code requires the Board of Supervisors to adopt a budget each year. Therefore, the Board may only formally approve the first year of the Two-Year Operational Plan. The Board approves the second year in principle for planning purposes.

GLOSSARY OF OPERATIONAL PLANNING TERMS

Two-Year Operational Plan	The County's financial plan for the next two fiscal years, detailing each Department's objectives and the resources required to achieve them. This plan consists of two parts: a budget for the next fiscal year, which is formally adopted by the Board of Supervisors, and a proposed budget for the second fiscal year, which is approved in principle by the Board of Supervisors.
Proposed Operational Plan	The suggested or draft Operational Plan that the CAO submits for review to the Board of Supervisors and the public in May.
Proposed Change Letter	Modifications to the Proposed Operational Plan submitted by the CAO to the Board of Supervisors in mid-June to reflect revenues, expenditures, or priorities that change after the Proposed Operational Plan is introduced in May. Individual Supervisors may also submit Change Letters.
Final/Adopted Operational Plan	The Operational Plan, as approved by the Board of Supervisors in late June and formally adopted in July or August.

THE OPERATIONAL PLANNING PROCESS

In January/February of each year, the Chief Financial Officer distributes initial Two-Year Operational Plan instructions to departments. These instructions provide both general information about the operational planning process and detailed instructions for preparing the numerical and narrative sections of the Proposed Operational Plan, consistent with the County's Strategic Plan.

In many ways, preparation for next year's budget begins as soon as the ink is dry on the current year's budget. However, the Operational Planning cycle officially begins in late February/early March. Using the County's Strategic Plan goals to guide their efforts, the General Managers then work with their Group and department representatives to develop the proposed Two-Year Operational Plan objectives and the Operational Plan itself.

In May, the CAO submits the Proposed Operational Plan to the Board of Supervisors and the public. The Board formally accepts the document for review in May and holds public hearings in June. In mid-June, the CAO submits a Proposed Change Letter to the Board recommending modifications to the Proposed Operational Plan. Additionally, Board members may submit Change Letters. Change Letter modifications reflect changes in revenues, expenditures, and priorities that have occurred since the Proposed Operational Plan was submitted. These modifications also take into account recent Board actions and public input from the budget hearings.

In late June, after the conclusion of public hearings, the Board deliberates, makes modifications, and approves the Operational Plan. Final Operational Plan adoption occurs in July or August. (Lag time between approval in June and adoption in July/August is a required formality and allows the final Operational Plan to incorporate Board-approved modifications made during deliberations.)

As part of the "Monitoring and Control" component of the GMS, each General Manager reviews the status of his/her department's Operational Plans each month, and the CAO reviews the status of each Group's Operational Plan each quarter. The CAO, on behalf of the individual Groups, provides a Budget Status Report to the Board each quarter and recommends amendments to the Operational Plan based upon revenue and expenditure changes. The Board of Supervisors receives the Budget Status Report, deliberates, and approves amendments to the Operational Plan.

CONTENTS OF THE OPERATIONAL PLAN DOCUMENT

The Operational Plan document includes the following:
- ✓ General information about the Operational Plan;
- ✓ Narratives, tables, and charts showing the revenues and expenditures for all County funds;
- ✓ A review of planned capital projects;
- ✓ A summary of the County's short and long-term financial obligations/debt; and
- ✓ A breakdown by Group and department detailing the following:
  - The Group/Department mission;
  - Prior year accomplishments;
  - Operating objectives (derived from the Strategic Plan);
  - Changes from the prior year;
  - Revenue amounts and sources;
  - Expenditures and staffing by program; and
  - Performance measures and targets.

ADDITIONAL INFORMATION REGARDING OPERATIONAL PLANNING

Additional information regarding the County's operational planning process can be obtained as follows:

For County employees:

    Information on the Budget Reporting and Analysis Support System (BRASS) can be found on the Auditor and Controller's Intranet site at cww/ac/brass/index.html

For members of the public:

    Operational Plan and Budget Information can be viewed at
    www.sdcounty.ca.gov/auditor/budinfo.html

OVERVIEW

The Strategic and Operational Plans set goals for the County and allocate resources deemed necessary to move down a path toward achieving those goals. The Monitoring and Control GMS component ensures that County operations stay on that path.

Monitoring and Control challenges County employees to regularly ask the following questions:
- ➢ Are we on track?
- ➢ Are Groups and departments meeting their service, financial, and performance goals?
- ➢ Are individual managers effectively managing resources and exercising needed leadership?
- ➢ Are projects producing desired results on time and within cost constraints?
- ➢ What needs to be done to correct identified deficiencies?

More specifically, Monitoring and Control is the process of evaluating operational functions and programs to evaluate performance and risks. This process allows the County to track adherence to the Strategic and Operational Plans and to make necessary adjustments. Numerous review mechanisms and formats exist for formal evaluations of various functions. These evaluations occur on a monthly, quarterly, and annual basis at different managerial levels.

Evaluation mechanisms are used to monitor and assess managers, Groups, Departments, and projects. The table that follows details primary County Monitoring and Control tools.

PERFORMANCE MEASUREMENT/BALANCED SCORECARD (BSC)

As part of ongoing Monitoring and Control efforts, the County makes regular use of a performance measurement method known as the Balanced Scorecard (BSC).

The BSC concept translates strategy into a coherent set of measures, helping to align an organization's performance expectations to its strategic objectives. The BSC also makes strategy everyone's job; translating organizational objectives into everyday tasks allows employees to identify their contributions to the achievement of strategic goals.

The specific purpose of the Balanced Scorecard as applied to the County is to translate our Strategic Initiatives into coherent, tangible, and quantifiable measures in key areas or "perspectives." These measures allow better evaluation of effectiveness and communication of outcomes. The BSC also promotes consistent performance measures across County management and reporting systems.

PERFORMANCE MANAGEMENT/BALANCED SCORECARD (BSC) (Continued)

As applied to the County, there are generally four perspectives within the BSC under which measures are categorized:

> **Customer perspective** answers the following questions: Who are our target customers? Are we meeting our customers' needs and expectations? How do our customers see us?

> **Internal Process perspective** identifies the key processes at which the County must excel in order to accomplish our Strategic Initiatives and best meet the needs of our customers.

> **Learning and Growth perspective** (or **Employee perspective**) assesses the employee skill levels and support systems necessary to achieve our goals. Are we providing the employee support and opportunities for continuous learning required to accomplish our objectives?

> **Financial perspective** tells us whether our financial performance is meeting our resource objectives. Are we delivering maximum cost-efficiency and value to our customers for each dollar spent?

The four BSC perspectives are based on the premise that it is important to have measures in each one to provide a complete – "balanced" – picture of the County's success in accomplishing its Mission. Focus is further refined by requiring managers to select a limited number of critical indicators within each of the four perspectives.

DESCRIPTION OF MONITORING AND CONTROL EVALUATION TOOLS

Function Evaluated	Evaluation Tool	Evaluation Tool Description	Evaluation Frequency	Evaluation Tool Components
Groups	Quarterly Reviews	Detailed reports that are prepared in writing and then presented orally to the CAO by each Group General Manager and his/her management staff. Quarterly Reviews have specified components.	Quarterly	Scorecard A list of each topic area of the review and whether or not it is "on plan." Financial Review Compares projected and actual expenditures and revenues to identify and mitigate financial risks. Review includes: an estimated Forecast at Complete (FAC) analysis; management reserves; projected fund balance; variance analysis; year-to-year comparison; asset management; and status of accounts receivable and trust funds. Overhead Management Overhead rates and charts are used to illustrate efforts to minimize overhead costs and maximize resources devoted to direct services. General Managers and Department Heads are held accountable for controlling overhead costs. Risk Identification Serves as an early warning system. Articulates financial, operational, and political risks and steps being taken to mitigate these risks. Risk examples include unanticipated increased costs, new legislative mandates, and major lawsuits. Customer Satisfaction Addresses service quality with customer satisfaction measurements. During First Quarter Review, Groups report on Mystery Shopper/Phone Survey results, Countywide Customer Satisfaction trends, Web surveys, and internal customer satisfaction questionnaires. During each quarterly review, General Managers report on continuous improvement plans and customer satisfaction improvement initiatives. Continuous Improvement Focuses on Group efforts to continue improving service delivery efficiency. Includes measures identified in the County's Strategic Plan and in General Managers' and Department Heads' performance plans. Status reports on completed Managed Competition and Reengineering projects are included to ensure projects are still "on plan" for savings, staff years, performance goals, overhead rates, and customer service. Reinvestment plans are also reviewed to ensure reinvestment of savings from Managed Competition and Reengineering initiatives in front-line services. Focus on Employees Issues include: Employee Satisfaction Survey results; departmental communication plans; Quality First goal achievements; employee recognition programs; diversity initiatives; employee training; and employee development initiatives. During the Second Quarter review, General Managers report on: human resource information; workforce demographics; employee turnover, new/deleted job classifications; salary trends; management ratios; workers' compensation payouts; and volunteer hours.

DESCRIPTION OF MONITORING AND CONTROL EVALUATION TOOLS (Continued)

Function Evaluated	Evaluation Tool	Evaluation Tool Description	Evaluation Frequency	Evaluation Tool Components
Groups	CFO and General Managers' Resource Allocation Review	The Chief Financial Officer and General Managers review and re-assess Group resource allocation decisions based on pending issues, available resources, and priorities for meeting un-funded requirements.	Bi-weekly (every other Thursday)	Review of Group Management Reserves, available Fund Balances, and Projected Operating Balances, as well as General County Reserves, un-appropriated Fund Balance, and available one-time resources. Alignment of resources with priorities, risks, and un-funded needs.
CAO/ Management	CAO Goals and Accomplishments	A written statement of goals, followed by a year-end performance report by the CAO to the Board of Supervisors. (Effectively serves as the CAO's OIP)	Annually	CAO's Year-End County Performance Report In August/September of each year, the CAO provides this report to the Board of Supervisors. CAO's Annual Report Information from the Year-End County Performance Report may be used to produce a CAO's Annual Report, which is published in the Fall and made available to the public.
Departments	Department Reviews	General Managers specify operational and programmatic areas they would like to review with their Department Heads each month.	Monthly	Formats and specific components vary but are generally based on evaluation tool components used in the Group Quarterly Reviews.
Specific Projects	Project Management Reporting Systems	Two reporting systems have been developed for reviewing the management of specific projects.	Conducted monthly by General Managers and quarterly by the CAO and ACAO	Contract Business Plan Review (CBPR) Developed to ensure that contract risks are mitigated initially by good planning. CBPR provides an opportunity for final review of the contract or project plan before it is taken before the Board of Supervisors for authorization of a Request for Proposal (RFP) or Request for Bid (RFB). Project Management Review (PMR) Developed to facilitate reporting on the status of major projects to the General Managers and CAO, ensure contractor performance, and determine whether a project remains within cost and on schedule. General Managers establish guidelines for when CBPRs and PMRs are required. Project cost and political risk factors are considerations.

ADDITIONAL INFORMATION REGARDING MONITORING AND CONTROL

Additional information regarding any activities included within the Monitoring and Control component of the General Management System can be obtained by contacting the Group Finance Directors or Strategic Planning Support Team members.

OVERVIEW

Although County operations are divided into distinct Groups, Departments, and Divisions, the County has many critical functions and goals that cut across organizational lines. Functional Threading is the process of ensuring coordination and engaging cooperation across Group/Department lines to pursue goals, solve problems, share information, and leverage resources. Though it is articulated as a GMS component, Functional Threading can be best described as an optimized way of doing business.

Certain County functions are common to multiple, if not all, departments. These include budgeting and finance, customer service, and information technology, just to name a few. Day-to-day coordination and cooperation across organizational lines is necessary to efficiently perform these common functions. It is the ongoing responsibility of Department Heads, under the direction and oversight of Group Managers, to build cooperative efforts within and across departments, and ensure problem-solving coordination takes place.

Group representatives specifically tasked with regular participation in threading activities include Department Heads, Human Resource Directors and staff, Finance Directors, Information Technology Managers, communication/public information personnel, and CAO Staff Officers/Project Managers. As a practical matter, Functional Threading is not, nor should it be, limited to these employees. Threading activities are performed on a regular basis by nearly all County employees performing tasks as routine as making constituent referrals between agencies or information sharing between inspectors.

Commonality between County Departments and Groups is not defined only by routine functions. Shared purpose is also reflected in the goals we set. The ultimate expressions of commonality across organizational lines are the County's Strategic Initiatives.

For practical purposes, the County organizes resource allocation by Group and Department. However, the ultimate driving purpose behind resource allocation is not simply to support these organizational units, but to accomplish our Strategic Initiatives – to support major undertakings that fulfill the County's Mission, Vision, and Guiding Principles.

TRACKING FUNCTIONAL THREADING EFFORTS

To track progress toward accomplishing the goals and tasks of our Strategic Initiatives, the County will use the Balanced Scorecard (BSC) performance management system previously discussed under Monitoring and Control.

ADDITIONAL INFORMATION REGARDING FUNCTIONAL THREADING

Information regarding Functional Threading tasks and opportunities can be obtained from Group General Managers' offices, Department Heads, or representatives of the Chief Administrative Officer.

Motivation, Rewards, and Recognition
Are we sharing goals and encouraging success?

OVERVIEW

Motivation, Rewards, and Recognition is the fifth and final GMS component. Using Strategic and Operational Planning, the County sets goals and objectives and allocates resources necessary to achieve those goals. Monitoring and Control helps County operations stay "on plan" and alert to risk. Functional Threading helps ensure that County staff engage in cooperation across Group/Department lines to pursue goals, solve problems, and share information. Motivation, Rewards and Recognition, completes the GMS loop by engaging the County's most critical resource – the men and women of the County workforce.

The purpose of Motivation, Rewards, and Recognition is to make the abstract concept of performance in the GMS System a clear, relevant, and personal obligation for each County employee. This GMS component should provide all County employees with the following:
- ✓ Clarity regarding what they are expected to do and how well they are expected to do it; and
- ✓ Meaningful incentives for meeting and exceeding expectations, including both material and social rewards.

Sound plans, well-allocated resources, strong oversight, and cooperative problem solving are critical. However, these elements of the GMS only lay the groundwork for success – they don't actually make it happen. Application of plans and resources by a workforce is what turns preparation and potential into achievement and success.

Motivation, Rewards, and Recognition tools and programs set clear expectations for employees and reinforce these expectations by providing incentives, evaluating employees' performance, and rewarding those who meet or exceed expectations. Motivation, Rewards, and Recognition promotes employee development and encourages the individual excellence and initiative needed to achieve County objectives.

The following table provides details about primary County Motivation, Rewards, and Recognition programs.

DESCRIPTION OF MOTIVATION, REWARDS, AND RECOGNITION TOOLS *

Program	Program Description	Criteria/Basis for Recognition and/or Reward	Who is Eligible	Type of Recognition and/or Award Type and Amount
Performance-Based Step Advancement	County policy provides for regular review of employee performance using performance appraisals. Classified employees and managers receive performance appraisals at mid-probation, end of probation, and annually thereafter. In addition to regular reviews, the appointing authority may conduct supplementary appraisals as necessary.	New classified employees who meet performance standards generally advance from step one to step two after six months, with annual advancements thereafter. Classified employees may not advance to a higher step if their overall performance was rated at a below standard level for the preceding rating period. Confidential and Management Employee classes that meet performance standards are eligible for advancement to a higher salary within their class range. Advancement is based on review of qualifications, work assignments, and anticipated work performance level by the appointing authority.	Classified employees	For Classified employees, each salary step is approximately five percent higher than the previous step. For Confidential Employee (CE) or Management Employee (MA) classes, employees meeting performance standards may advance to a higher salary within the class range at the discretion of the appointing authority.
Do-It-Better-By-Suggestion (D.I.B.B.S.) Program	The Do-It-Better-By-Suggestion program is a vehicle for generating, evaluating, adopting, and rewarding employee ideas for improving operations and customer service, reducing cost, increasing revenues, achieving salary savings, or improving safety.	The basis for award is approval and implementation of the employee's suggestion.	All permanent employees except Executive and Unclassified Managers	When a suggestion is implemented and an award approved, the employee is invited to a ceremony attended by their supervisor, Department Head, members of the Board of Supervisors, and the CAO. There is also a one-time cash award. Award amounts depend on the type, tangibility, and amount of savings the suggestion produces. The maximum cash award is $20,000.
Employee Recognition and Award ("Director's Checkbook")	This program recognizes an individual or group of employees for exceptional sustained performance on a special project or assignment. The program's goal is to improve customer service while enhancing motivation and strengthening teamwork.	Employees may be recognized in such areas as productivity, customer service, employee safety, or loss prevention.	All employees	The appointing authority may grant commendations, cash, non-cash, and/or administrative leave awards to individual employees or groups of employees. The maximum total cash value of each separate award may not exceed $1,000. No one employee shall receive awards valued at more than $1,000 per fiscal year.

* NOTE: In addition to programs detailed in the table above, project and/or Department-specific recognition activities are encouraged and take place throughout the year. The County also uses its publications to recognize employee excellence and accomplishments.

DESCRIPTION OF MOTIVATION, REWARDS, AND RECOGNITION TOOLS (Continued)

Program	Program Description	Criteria/Basis for Recognition and/or Reward	Who is Eligible	Type of Recognition and/or Award Type and Amount
Quality First	This program is designed to thread Strategic and Operational goals throughout the organization. Quality First offers temporary salary increases to recognize employees' contributions toward achievement of Countywide and Departmental goals. Quality First plans include quantitative and qualitative goals and an explanation of the strategy or measurement used to achieve these goals. Department Heads submit Quality First goals and accomplishments to their General Manager. Plans are reviewed by the Human Resources Director and Chief Financial Officer, with final approval by the CAO.	Performance in achieving quantitative and qualitative goals determines monetary payouts to employees in the Department or Unit. The categories and goals are determined by the CAO and Management Committee and reflect the County's Strategic Initiatives, CAO goals, and major Operational Plan initiatives.	All permanent employees	Quality First awards may range up to a maximum of four percent of annual salary, paid out to employees over six pay periods.
Operational Incentive Plan (OIP)	The Operational Incentive Plan is a self-evaluation and performance accountability tool for County managers. The OIP takes the form of an individual employee performance plan completed by Executive and Unclassified Managers annually. OIP categories are determined by the CAO and Management Committee and reflect the County's Strategic Initiatives and CAO goals. Both qualitative and quantitative objectives are included. Like Quality First, the OIP program provides a tangible incentive for excellence. This ensures long-term accountability and improved services to County customers.	General Managers and Department Heads are responsible for evaluation of OIP results submitted by executives and managers under their supervision. The resulting recommendations are submitted to the Executive Compensation Committee, comprised of the ACAO, General Managers, CFO, County Counsel, and Human Resources Director. The CAO conducts the evaluation of the ACAO and General Managers.	Executive and Unclassified Managers	The OIP uses pay for performance as the primary factor in determining compensation for County managers. Pay adjustments are made in accordance with performance results: managers who meet their goals are eligible for a base pay increase. Managers who do not meet their goals may be denied a raise or have their base pay reduced.
CAO Recognition Award	The purpose of the CAO Recognition Award is to reward special contributions by individual managers who are otherwise ineligible for D.I.B.B.S.	CAO Recognition Awards are made at the discretion of the CAO.	Executive and Unclassified Managers	A one-time cash award of up to ten percent of salary, not to exceed $10,000.

ADDITIONAL INFORMATION REGARDING MOTIVATION, REWARDS, AND RECOGNITION

More information regarding the programs included within this component of the GMS can be obtained from the Group Human Resource Directors or department personnel officers.

GMS Responsibility Matrix – First Quarter

GMS COMPONENT	July	August	SEPTEMBER
Strategic Planning		**Chief Administrative Officer with Management Committee** – Review and develop revisions to the Five-Year County Strategic Plan based on changes in internal and external environments. This process includes the following steps: ➢ Review the County's Mission, Vision, and Intents; ➢ Perform Environmental Scans at the Group level; ➢ Perform Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis; and ➢ Review and, as necessary, revise Strategic Initiatives.	
OPERATIONAL PLANNING	**Board of Supervisors** - Adopt the Final Operational Plan.		**Board of Supervisors** – Amend the Compensation Ordinance to make necessary Human Resources adjustments to positions, wages, and working conditions.
MONITORING & CONTROL		**Chief Administrative Officer** – Present year-end CAO Accomplishments detailing prior fiscal year County performance to the Board of Supervisors.	
	Department Heads – Report to the General Manager on Operational Plan achievements, risks, and emerging issues on a monthly basis or as determined by the General Manager.		
	Department Heads – Provide Contract Business Plan Reviews and Program Management Reviews to the General Manager and/or ACAO quarterly or as determined by the ACAO.		
	CFO and General Managers – Bi-weekly review of Group resource allocations to maintain alignment with priorities, risks, and un-funded needs.		
FUNCTIONAL THREADING	**Department Heads** – Engage in ongoing efforts to convene subject matter experts and build cooperative efforts within and across departments to identify common issues, solve problems, and streamline work processes. Threading efforts include monthly CAO Leadership Team meetings.		
MOTIVATION, REWARDS, & RECOGNITION	**Executive/Unclassified Managers** – Submit Operational Incentive Plan accomplishments from prior year.	**Chief Administrative Officer** – Review and finalize base pay adjustment proposals for Executive/Unclassified Managers based on achievement of Operational Incentive Plan goals and recommendations of the Executive Compensation Committee.	**All Employees (eligible pursuant to their collective bargaining agreement)** – Receive Quality First payouts if goals have been met.
	General Managers/Department Heads – Submit prior year Quality First Plan results for Groups and Departments.		**Executive/Unclassified Managers** – Receive base pay adjustments based on performance.
	General Managers/Department Heads – Review prior year Operational Incentive Plan accomplishments submitted by Executive/Unclassified Managers and provide base pay adjustment recommendations.	**Chief Administrative Officer** – Review departments' Quality First Plan results and approve temporary salary increases based on evaluation of quantitative and qualitative goal performance.	
	Executive/Unclassified Managers – If necessary, finalize Operational Incentive Plan goals for the current fiscal year.		
	Executive Compensation Committee – Review and approve or amend base pay adjustment proposals submitted by appointing authorities for Executive/Unclassified Managers, based on prior year performance and achievement of Operational Incentive Plan goals.		
	Managers/Supervisors – Assess performance of subordinates according to performance evaluation cycle.		
	Classified Employees – Receive performance-based step advancements at prescribed intervals according to performance evaluation cycle.		

GMS Responsibility Matrix – Second Quarter

GMS COMPONENT	OCTOBER	NOVEMBER	DECEMBER
STRATEGIC PLANNING	***Chief Administrative Officer*** – Discuss the Five-Year County Strategic Plan with members of the Board of Supervisors.		
		Chief Administrative Officer/General Managers – Complete Five-Year Financial Forecast and determine funding availability for strategic initiatives. Align Group and Department strategic plans based on approved Five-Year Strategic Plan and incorporate funding priorities into Operational Planning.	
OPERATIONAL PLANNING			***Chief Administrative Officer*** – Provide First Quarter Budget Status Report to the Board of Supervisors and recommend amendments to the Operational Plan.
			Board of Supervisors – Receive First Quarter Budget Status Report and approve Operational Plan amendments.
			Board of Supervisors – Amend the Compensation Ordinance to make necessary Human Resources adjustments to positions, wages, and working conditions.
MONITORING & CONTROL	***General Managers*** – Provide First Quarter status reports to the CAO for individual Groups.		
	Department Heads – Report to the General Manager Operational Plan achievements, risks, and emerging issues on a monthly basis or as determined by the General Manager.		
	Department Heads – Provide Contract Business Plan Reviews and Program Management Reviews to the General Manager and/or ACAO quarterly or as determined by the ACAO.		
	CFO and General Managers – Bi-weekly review of Group resource allocations to maintain alignment with priorities, risks, and un-funded needs.		
FUNCTIONAL THREADING			***General Managers*** – Provide annual, mid-year Balanced Score Card reports for each Strategic Initiative as it pertains to each Group to the CAO.
	Department Heads – Engage in ongoing efforts to convene subject matter experts and build cooperative efforts within and across departments to identify common issues, solve problems, and streamline work processes. Threading efforts include monthly CAO Leadership Team meetings.		
MOTIVATION, REWARDS, & RECOGNITION	***All Employees (eligible pursuant to their collective bargaining agreement)*** – Receive Quality First payouts if goals have been met.		
	Managers/Supervisors – Assess performance of subordinates according to performance evaluation cycle.		
	Classified Employees – Receive performance-based step advancements at prescribed intervals according to performance evaluation cycle.		

GMS Responsibility Matrix – Third Quarter

GMS COMPONENT	JANUARY	FEBRUARY	MARCH
STRATEGIC PLANNING	**Chief Administrative Officer/General Managers** – Complete Five-Year Financial Forecast and determine funding availability for strategic initiatives. Align Group and Department strategic plans based on approved Five-Year Strategic Plan and incorporate funding priorities into Operational Planning.		**Chief Administrative Officer with Management Committee** – As necessary, ensure and facilitate Operational Plan development consistent with Strategic Plan goals
OPERATIONAL PLANNING		**General Managers/Department Heads** – Plan two-year objectives for Groups and Departments consistent with the County's Strategic Plan.	
		General Managers/Department Heads – Prepare the Two-Year Operational Plan in concert with CAO Goals.	
			Chief Administrative Officer – Provide Second Quarter Budget Status Report to the Board of Supervisors and recommend amendments to the Operational Plan.
			Board of Supervisors – Receive Second Quarter Budget Status Report and approve Operational Plan amendments.
			Board of Supervisors – Amend the Compensation Ordinance to make necessary Human Resources adjustments to positions, wages, and working conditions.
	Chief Financial Officer – Distribute Two-Year Operational Plan instructions to departments.		
MONITORING & CONTROL		**General Managers** – Provide Second Quarter status reports to CAO for individual Groups.	
	Department Heads – Report to the General Manager on Operational Plan achievements, risks, and emerging issues on a monthly basis or as determined by the General Manager.		
	Department Heads – Provide Contract Business Plan Reviews and Program Management Reviews to the General Manager and/or ACAO quarterly or as determined by the ACAO.		
	CFO and General Managers – Bi-weekly review of Group resource allocations to maintain alignment with priorities, risks, and un-funded needs.		
FUNCTIONAL THREADING	**Department Heads** – Engage in ongoing efforts to convene subject matter experts and build cooperative efforts within and across departments to identify common issues, solve problems, and streamline work processes. Threading efforts include monthly CAO Leadership Team meetings.		
MOTIVATION, REWARDS, & RECOGNITION	**Managers/Supervisors** – Assess performance of subordinates according to performance evaluation cycle.		
	Classified Employees – Receive performance-based step advancements at prescribed intervals according to performance evaluation cycle.		
		Chief Administrative Officer – Release Operational Incentive Plan instructions, outlining goal setting priorities for the upcoming fiscal year, to General Managers and Department heads	

GMS Responsibility Matrix – Fourth Quarter

GMS COMPONENT	APRIL	MAY	JUNE
STRATEGIC PLANNING	➤ **Chief Administrative Officer with Management Committee** – As necessary, ensure and facilitate Operational Plan development consistent with Strategic Plan goals.		
OPERATIONAL PLANNING	**General Managers/Department Heads** – Plan two-year objectives for Groups and Departments consistent with Strategic Plan goals.	**Chief Administrative Officer** – Provide Third Quarter Budget Status Report to the Board of Supervisors and recommend amendments to the Operational Plan.	**Chief Administrative Officer** – Submit proposed CAO Operational Plan Change Letter to the Board of Supervisors and the public.
	General Managers/Department Heads – Prepare the Two-Year Operational Plan consistent with CAO Goals.	**Board of Supervisors** – Receive Third Quarter Budget Status Report and approve Operational Plan amendments.	**Board of Supervisors** – Conduct public hearings to modify and approve the Operational Plan.
		Chief Administrative Officer – Submit Proposed Operational Plan to the Board of Supervisors and the public.	**Board of Supervisors** – Amend the Compensation Ordinance to make necessary Human Resources adjustments to positions, wages, and working conditions.
		Board of Supervisors – Receive Proposed Operational Plan for review, and notice schedule public hearings.	
MONITORING & CONTROL		**Chief Administrative Officer** – Present final Fiscal Year CAO goals for the County, reflecting the Strategic Plan and current operational issues. These goals provide the Board of Supervisors with evaluation criteria for the CAO and County as a whole.	
		General Managers – Provide Third Quarter status reports to the CAO for individual Groups.	
	Department Heads – Report to General Manager on Operational Plan achievements, risks, and issues as determined by the General Manager.		
	Department Heads – Provide Contract Business Plan Reviews and Program Management Reviews to the General Manager and/or ACAO quarterly or as determined by the ACAO.		
	CFO and General Managers – Bi-weekly review of Group resource allocations to maintain alignment with priorities, risks, and un-funded needs.		
FUNCTIONAL THREADING	**Department Heads** – Engage in ongoing efforts to convene subject matter experts and build cooperative efforts within and across departments to identify common issues, solve problems, and streamline work processes. Threading efforts include monthly CAO Leadership Team meetings.		
MOTIVATION, REWARDS, & RECOGNITION	**Executive/Unclassified Managers** – Submit draft Operational Incentive Plans for the upcoming fiscal year consistent with the Strategic Plan to General Managers and Department heads.	**General Managers** – Submit draft Operational Incentive Plans for the upcoming fiscal year to the CAO.	**General Managers/Department Heads** – Submit draft Quality First goals for the upcoming fiscal year consistent with the Strategic Plan to the Department of Human Resources.
	Human Resources Director – Distribute Quality First Instructions.		
	Managers/Supervisors – Assess performance of subordinates according to performance evaluation cycle.		
	Classified Employees – Receive performance-based step advancements at prescribed intervals according to performance evaluation cycle.		